LEJ LERARY CENTRAL INTELLIGENCE AGENCY Mandatory Review 109 Intelligence Information Cable Dosument #.

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260655Z

CITE

1.5(c)

DIST

26 JUNE 1968 3.4(b)(1)

COUNTRY

CHINA

DOI

MID - MARCH - 18 MAY 1968

SUBJECT

ECONOMIC DISLOCATION IN CHUNGKING

FOLLOWING WEEKS OF SERIOUS FIGHTING.

ACQ

SOURCE

1.5(c) 3.4(b)(1)

(SUMMARY. THE SERIOUS FIGHTING WICH RAGED IN CHUNGKING FROM MID-MARCH TO EARLY MAY WAS BROUGHT UNDER CONTROL WHEN THE PLA INTERVENED AND CONFISCATED THE WEAPONS PREVIOUSLY SEIZED FROM THE MILITARY BY THE WARRING FACTIONS. BY 18 MAY, A SEMBLANCE OF ORDER HAD BEEN RESTORED IN THE CITY, AND WAS BEING MAINTAINED BY ARMED MILITARY PATROLS. THERE REMAINED, HOWEVER, THE LEGACY OF THE FIGHTING: DAMAGED PLANTS, CLOSED SCHOOLS, AND SHORTAGES OF BASIC COMMODITIES.) END SUMMARY.



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•	C-O-N-F-I-C-N-T-I-A-L (classification) (dissem controls)	3.4(b)(1
	1.	
		1.5 <del>(e)</del> 3.4(b)(1
	2. SER IOUS FIGHTING BROKE OUT AGAIN IN	
į	MID-MARCH. THE TWO	1.5( <b>c)</b> 3.4(b)(1)
7	FACTIONS SEZIED WEAPONS AND AMMUNITION FROM THE .	• .
1	IBERATION ARMY TROOPS, AND FROM THEN ON THE CITY	
Ų	WAS FILLED WITH THE SOUND OF GUNFIRE. EVEN THE	
L	IBERATION ARMY COULD NOT DO ANYTHING ABOUT IT.	
•	MARKETS AND SHOPS WERE CLOSED, AND TRAFFIC CAME TO	
F	A COMPLETE STANDSTILL IN THE CITY. ANYONE WALKING IN	
I	THE STREETS WAS LIABLE TO BE KILLED AT NAY MOMENT.	
	THE LIBERATION ARMY BROUGHT IN THE TWO	
ļ	VITAL COMMODITIES OF RICE AND COAL. AND THUS THE	
F	FOUR MILLION PEOPLE OF CHUNGKING DID NOT STARVE	1.5 <del>(c)</del> 3.4(b)(1)
T	HOUGHT THE FOOD SITUATION WAS PRETTY TENSE.	3.4(b)(1)
	3. THE SITUATION LASTED UNTIL THE	
Ę	BEGINNING OF MAY, WHEN THE CENTRAL ANNOUNCED IT WAS	
D	ETERMINED TO SETTLE THE CHUNGKING SITUATION. THE	



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1.5(c) 3.4(b)(1)

C-O-N-F-I E-N-T-I-A-L
(classification) (dissem controls)

CENTRAL EMPOWED THE CHUNGKING GARRISON

TO RETRIEVE ALL WEAPONS. AFTER

1.5<del>(c)</del> 3.4(b)(1)

THAT, THE FIGHTING CAME TO AN ABRUPT HALT.

NONETHELESS, THE WEEKS OF FIGHTING BROUGHT SERIOUS

DAMAGE TO MANY PLANTS, SCHOOLS, AND HOUSES.

4. THERE ARE STILL A LARGE NUMBER OF GUNS
WHICH THE CHUNGKING GARRISON HAS NOT RETRIEVED.
INTERMITTENT GUNFIRE CAN STILL BE HEARD, AND
MURDERS AND ROBBERIES TAKE PLACE FREQUENTLY. HOWEVER,
THE LIBERATION ARMY HAD PUT ON EXTRA SENTRIES AND ARMED

PATROLS, AND THIS HAS MADE THE CITY SOMEWHAT SAFER
FOR THE PEOPLE. ORDER IS GRADUALLY BEING RESTORED.
POSTAL AND TELECOMMUNICATION SERVICES ARE RESUMING
SLOWLY, AFTER BEING COMPLETELY CUT OFF SINCE MID-MARCH.
POSTAL EMPLOYEES ARE STILL APPREHENSIVE ABOUT RETURNING
TO WORK.

5. THE MARKET REMAINS TERRIBLE TENSE. AT PRESENT, ONE CAN ONLY BUY SOME FRESH GREENS FROM THE PEASANTS.

NATURALLY, TH PRICE OF THESE GREENS HAS RISEN SHARPLY.

SUCH ITEMS AS SOAP AND TOOTHPASTE ARE COMPLETELY OUT



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1.5(c) 3.4(b)(1)

OF STOCK.

(classification)

1.5<del>(€)</del> 3.4(b)(1)

ALL LOCAL SCHOOLS ARE IN A STATE OF PARALYSIS.

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1.5(c) 3.4(b)(1)

IS VERY DIFFICULT TO PREDICT WHETHER SERIOUS

FIGHTING WILL RESUME, BUT IF IT DOES.

IT WILL NOT BECOME AS SERIOUS AS IT WAS IN MARCH.

1.5(c)

BECAUSE THE PEOPLE HAVE A DEEP HATRED OF FIGHTING,

3.4(b)(1)

AND THEY ARE ALL FOR THE LIBERATION ARMY TAKING THE NECESSARY MEASURES TO SAFEGUARD SECURITY.

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